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Lannon, Frank P.

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[Colorado Springs?]

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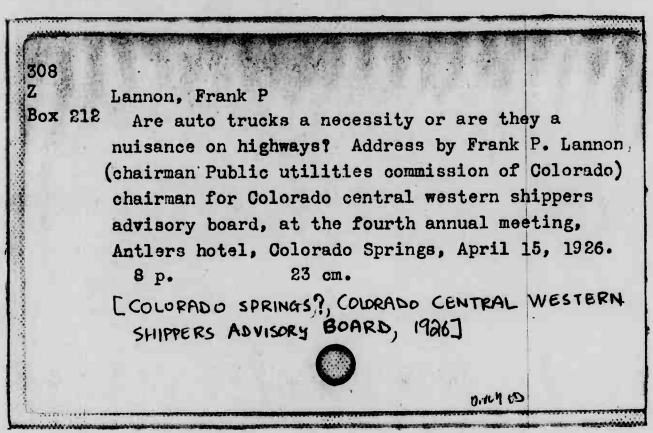

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Lannon, Frank P

Are auto trucks a necessity or are they a nuisance on highways? Address by Frank P. Lannon, (chairman Public utilities commission of Colorado) chairman for Colorado central western shippers advisory board, at the fourth annual meeting, Antlers hotel, Colorado Springs, April 15, 1926.

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[COLORADO SPRINGS?, COLORADO CENTRAL WESTERN SHIPPERS ADVISORY BOARD, 1926]

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ARE AUTO TRUCKS A NECESSITY

OR ARE THEY

A NUISANCE ON HIGHWAYS?

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ADDRESS

BY

FRANK P. LANNON
(Chairman Public Utilities Commission of Colorado)
Chairman for Colorado Central Western Shippers Advisory Board

AT

THE FOURTH ANNUAL MEETING
ANTLERS HOTEL
Colorado Springs

April 15, 1926

ADDRESS OF FRANK P. LANNON

Chairman

OF

THE COLORADO PUBLIC UTILITIES COMMISSION

Before the Central Western Regional Advisory Board at Colorado Springs April 15, 1926

As Chairman of the Regional Board for Colorado, it gives me great pleasure to meet here with the representative shippers, leading citizens of El Paso County and last but not least with the great broad-minded representatives of several of the leading railroads of the country.

I had thought, until yesterday, that I would take the lazy route and let our ever ready and efficient working State Secretary, Harry Dickinson, pull the load, as usual, and put on the whole show. However, when I came to a realization of what it meant to be offered an opportunity to meet with such an assemblage, all actuated with high and lofty ideals and with a desire to unselfishly aid and promote the great problems connected with the transportation of our country it made me repent and change my mind and so I decided to add my meed to the solving of some of the questions which are so vital to the public, the railroads, and especially the shippers of the country.

To have our convention ensconced in the lap of dear old Pikes Peak and to know that here is located the center piece of one of the grandest diadems of scenic beauty and grandeur on the American Continent, is enough to inspire and give rein to fanciful thoughts of God's highest ideals and make us pause and thank Him for the blessings so bountifully showered upon us.

Since the advent of the heavy passenger and freight auto truck, a great economic change as to transportation for short hauls has been brought about which not only strikes at the very vitals of the huge investments of capital tied up in railroads, but also affects the stupendous investments of the taxpayers of the nation in their county, city, state and national highways.

Our roads are the common heritage of the citizenry of our country. Being such, the spectacle is now presented of truck owners coming in and settling down like a flock of cormorants on the highways which cost the taxpayers billions of dollars, and proceeding to occupy and destroy that to which they have not contributed to any appreciable extent, either in their construction or upkeep. In other words, they are reaping where they have not sown, and are using the highways not in the ordinary way in which their builders intended but for their own private gain.

To give an idea of what the highways of this State are costing, I will give some figures for the year 1924. In this year the sixty-three counties of Colorado paid out for roads and bridges $2,997,-558.19. About $770,000 was collected on the one-half mill state levy for roads and bridges, and in addition to the aforementioned items there was collected for the benefit of the highways a gasoline tax of $1,773,361.66. There is also paid into the treasury by the State Land Board, account of the internal improvement fund from old land grant rentals, the sum of $101,000 yearly which goes into the state road and bridge fund. To these must also be added the annual interest on the 1921 highway bonds of $250,000 and also the interest on the 1923 bonds of $170,000 per annum, all of which aforementioned items amounted to the aggregate of $6,061,-919.85 for the year 1924 for Colorado, ranking only thirty-third in population of the states of the United States. When one contemplates that this expense has been going on in lesser degree for centuries, then one begins to realize the enormous investment we have in our public thoroughfares.

Of course, we must differentiate between the different uses that our highways are now subject to. For the sake of argument only, I will admit that in the carrying on of every private enterprise or business such people have what might be termed an inherent right to the use of the public highways; but during the past ten years, and for the most part during only the past five years, there has been put into operation an almost endless number of heavy freight and passenger auto trucks, operating not as private carriers, but as public carriers for hire and profit. Thus the highways built for the people's private use are now being capitalized for the sole benefit of a handful of private truck owners under the specious plea that they are operating as a *"public convenience and necessity,"* while in fact they are operating *wholly* and *solely* for *their own private gain and profit.*

I think every well-informed citizen thoroughly understands and recognizes the fact that the operation of the railroads of our country has been, and is now, absolutely necessary for the transaction of the business, the building up of the country and the material prosperity and well being of all the people on this continent of ours. When one stops to consider the fact that the wheat, corn, potatoes, hay, fruits, coal, lumber, cattle, sheep, gasoline, merchandise, oils, structural steel and thousands of other articles could not be moved from 300 to 3,000 miles to market but for our railways, then it will be seen and clearly understood that the railway is one of the most important and necessary adjuncts of modern civilization, and serves as a public convenience and actual necessity of all the people who wish to enjoy the highest wages, the shortest hours of toil and the best living conditions. All of these the American people have because we have more miles of railway

than all of Europe put together, and more miles of railway, population considered, than any other country in the world. That the railroads are a blessing is proven by the fact that China and other countries having large populations, and no railways to speak of, are enduring living conditions inferior in many ways to those enjoyed by the poor and indigent of this country.

To show how far reaching is auto truck operations in Colorado, it is only necessary to recall that every organization of railway employees in this state, numbering about 20,000, are to a man opposed to the operation of *autos for hire over public highways.* They now claim they have 60,000 votes which will be used in the next election in putting in office those who will enact proper legislation to protect the peoples' investment in the public highways and at the same time relieve them of the shadow that is hovering over them and threatens both them and their families very existence. These railroaders are among the most intelligent and best paid artisans of our commonwealth. They realize their backs are to the wall, and they don't propose to show any quarter to the enemy.

The railroads are now asking: "Have the parties, acting as common carriers by autos over the public roads, any right to take the traffic either of freight or passengers from the railway trains and put this traffic on the highways to the detriment of 20,000 railroad employees and of 230,000 owners of private autos in Colorado." If they have then they argue it necessarily follows that a very heavy mileage of branch lines of railways in this state, where the operating revenues derived are very much less than the operating expenses, will, of necessity, have to cease operations because of the fact that the trucks will further deplete the railroad earnings to a point where the roads thus involved will be compelled to ask for authority to stop operating and to junk their lines and throw their employees out of employment.

I do not wish it to be understood that the railroad employees are the only citizens alarmed over the auto truck operations. To show what the situation along the C. & S. line between Denver and Leadville is it is only necessary to mention the fact that several petitions have been filed with the Colorado Public Utilities Commission asking that certificates of public convenience and necessity be issued to auto bus owners for the operation of passenger-carrying auto busses between Denver and Leadville. Since the filing of these applications, and fearful that they may lose their rail service, the Commission is being bombarded by petitions numerously signed by the populace and by commercial and official bodies along this line protesting vigorously against the operation of any bus line into or out of their country under any pretext whatsoever, and alleging that the railroad is of vital necessity for them as a means of affording transportation facilities for their hay, cattle, sheep, ores and other products.

There are many places where the truck can function and perform a splendid public service, both as a passenger and freight carrier. This occurs in many places where there is no rail service, or where there are numerous small towns at which trains do not stop. The bulk of the business done in Colorado, however, by truck is not done between the interior and rail centers, but is from point to point along, and in competition with the railroads, where the people have the benefit of splendid and frequent service every day during both winter and summer, which the trucks and busses, on account of snows, are sometimes unable to perform.

That some comprehensive legislation should be enacted covering the operation of autos for hire in Colorado goes without question. The reason for such legislation is obvious to all those who have made any study or who understand the questions involved. Legislation is necessary not only from the public standpoint but from the standpoint of the bus operator as well. From the public standpoint, it is necessary that common carriers give good and sufficient bond to cover loss of property entrusted to their care and to cover injury or death claims of all passengers carried. This is more essential with carrying passengers over highways than it is by rail, as only a very small percentage of the auto operators own or have paid for the machines they operate, and consequently could not respond in damages for losses that might occur, while railroads can be made to pay. To illustrate this point I will relate what happened to a poor but worthy man in the southern part of the state. He wished to move his household goods from Trinidad to Pueblo and hired the Camel Truck Line to do the hauling. The truck stopped for the night at Walsenburg, where the truck and goods were entirely destroyed by fire. As the trunk line was a poor concern and carried no insurance, the owner of the household goods lost about $2,800.00, or everything he possessed. In this connection it is only fair to state that the truck owner offered to settle for $300.00, which would not any more than cover the loss of two of his wife's coats, to say nothing of all their other clothing. Of course, the carrying of insurance is not only a necessary precaution for shippers, but it is almost criminal neglect that such protection has not been afforded the public by legislative enactment.

While the foregoing recital would seem to be sufficiently convincing to show the need for bond protection, I will mention another matter where all three parties to a transaction met with a serious loss that could and should have been covered at small expense. A man living in Trinidad and having only $500.00 decided to go into the trucking business. He paid this money on an $1,800.00 truck. After being in business a short time he contracted to haul a party's household effects to a distant point. Something happened. He ran into a deep arroya, escaping with his

life, however. The truck was smashed to pieces and the household goods were demolished. The truck driver made a mental survey of the situation and soliloquized thus: "It will cost me twice as much to repair the car as is my equity in the car, consequently it is me for the tall timber." He has never been heard of since. The net result of this "comedy of errors" was the truck driver lost his equity of $500.00 in the truck, the owner of the household goods lost all his effects and the truck merchant lost his truck. Serving "public convenience and necessity" in this case is just about the same kind of bunk as would be serving of the public with apple pie with the apples left out.

Among other things that need attention and of which the railroads bitterly complain is the fact that the latter contribute largely to taxation for the construction of highways and bridges they do not use, while many of their competitors use the same without payment of any taxation. This is brought about by the fact that the railroads are heavy taxpayers in all counties in which they operate, while bus operators tear up the highways ofttimes in five or six counties on their route and then only pay a very small tax in but one county. To illustrate this I will show but one instance which will be sufficient to bring out and show the injustice and grotesqueness of a typical case of bus operation between Denver and Breckenridge.

In the first place the Colorado and Southern Railway has always paid about one-third of the total taxes in Park County along this line, in consequence of which it has paid one-third of all the cost of construction and upkeep of the highways in that county. About three years ago a non-resident of Park County and a man who had never paid a single cent of taxes in the county loaded about five tons of goods on a heavy truck in Denver and proceeded to Park County. In going over a steel highway bridge be precipitated, bridge, truck and all to the bottom of the canyon. It cost $6,000.00 to replace the same, of which the Colorado and Southern Railway paid about $2,000.00 for the repair of a bridge their competitor had torn down. To prevent such accidents as this, rigid restrictions should be provided as to the gross tonnage that would be allowed upon the highways and a graduated tax should be levied in accordance with load hauled, and this should be of a sufficient amount to be commensurate with the wear and tear of the highways.

To make a law that is equitable between the public and the automobile used for hire and operated as a carrier of either freight or passengers over the highways of this state is quite a difficult problem. To make this plain, I will relate but one circumstance of a great many that have occurred. A non-resident of Pueblo loaded a truck with five tons of freight at the latter point and proceeded to Colorado Springs with his consignment. This road

is a splendid graveled highway. As it happened in the spring of the year when the roads of this section were somewhat wet from recent rains and snows, this truck plowed two zigzag furrows ten inches wide and about a foot deep in this highway for forty-five miles between Pueblo and Colorado Springs. Between Pueblo and Pinon, in Pueblo County, a distance of about eleven miles only, it cost the taxpayers of that county $1,200.00 to repair that short strip of road. It will be seen that in cases such as this it would be hard to say what would be a reasonable tax to cover such operations. While it is a rank injustice to filch from the railroads and taxpayers money to cover such damages to the highways in order to convert to the pocket of the illegal truck operators a few paltry dollars, it would seem there should be a provision in any legislative enactments providing severe punishment for any such wanton destruction of the people's highways. This load of merchandise could have been moved by rail for the same expense, and no damage whatsoever would have been caused to the highway. To call such operations a "public convenience and necessity" is a travesty on justice and makes of a serious public matter an opera bouffe performance.

The Colorado County Commissioners Association, comprising the sixty-three counties of the state, sensing the great expense and havoc being brought about to the highways by the operation of the heavy truck for hire, prepared a comprehensive measure, which was passed almost unanimously by the last state legislature, regulating the operation of such trucks. This much needed enactment, however, met the disapproval of our Governor and was vetoed.

If the trucks take away the short haul freight and passenger business from the railways, it means a reduction of the revenues of the latter and in consequence of which the rail lines will have to curtail the operating of trains and will inevitably be compelled to raise their rates to make up the deficiency, thus injuring all shippers. Under our laws the railroads are allowed a fair return on their investment. Under decisions of the United States Supreme Court it is held that a railroad cannot be compelled to operate at a loss, and that when such a time arrives its operation is no longer a "public convenience and necessity," and in consequence of which the abandonment of the line must be allowed.

In conclusion I want to state that if the people of Colorado are to escape a dire calamity, there must be some remedial legislation enacted. As it is, the investments of the people in their highways and those of the legitimate truck owner, and the railroads as well, are all brought in jeopardy by an irresponsible and illegal flock of fly-by-night truck operators who, instead of being a "public convenience and necessity" have become not only a *public inconvenience* but a *public nuisance* and *menace* to the lives and limbs of every private individual who has to use the public highways.

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